

agency or the Office involved in the proceeding.

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## PART 537—REPAYMENT OF STUDENT LOANS

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AUTHORITY: 5 U.S.C. 5379(g).

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### § 537.101 Purpose.

This part implements 5 U.S.C. 5379, which authorizes agencies to establish a student loan repayment program for the purpose of recruiting or retaining highly qualified personnel. Under such a program, an agency may agree to repay (by direct payment to the loan holder on behalf of the employee) all or part of any outstanding qualifying student loan or loans previously taken out by a job candidate to whom an offer of employment has been made, or by a current employee of the agency.

### § 537.102 Definitions.

The definitions in this section apply only to part 537. In this part:

*Agency* has the meaning given that term in subparagraphs (A) through (E) of 5 U.S.C. 4101(1).

*Authorized agency official* means the head of an Executive agency or an official who is authorized to act for the head of the agency in the matter concerned.

*Employee* means an employee of an agency who satisfies the definition of the term in 5 U.S.C. 2105.

*Loan payment* means the net payment made by an agency to the holder of a student loan (after deducting any tax

withholdings that may be made from the gross student loan repayment benefit credited to the employee).

*Service agreement* means a written agreement between an agency and an employee (or job candidate) under which the employee (or job candidate) agrees to a specified period of service in exchange for student loan repayment benefits, subject to the conditions set forth under this part.

*Student loan means—*

(1) A loan made, insured, or guaranteed under parts B, D or E of title IV of the Higher Education Act of 1965; or

(2) A health education assistance loan made or insured under part A of title VII of the Public Health Service Act or under part E of title VIII of that Act.

*Student loan repayment benefit* means the benefit provided to an employee under this part in which an agency repays (by a direct payment on behalf of the employee) a qualifying student loan as described in § 537.106(b) previously taken out by such employee. The dollar value of this benefit is the gross amount credited to the employee at the time of a loan payment to the holder of the student loan, before deducting any employee tax withholdings from that gross amount as described in § 537.106(a)(6)(iii). A student loan repayment benefit is not considered basic pay for any purpose.

*Time-limited appointment* means a non-permanent appointment including—

(1) A temporary appointment under 5 CFR part 316, subpart D, or similar authority;

(2) A term appointment under 5 CFR part 316, subpart C, or similar authority;

(3) An overseas limited appointment with a time limitation under 5 CFR part 301, subpart B;

(4) A limited term or limited emergency appointment in the Senior Executive Service, as defined in 5 U.S.C. 3132(a), or an equivalent appointment made for similar purposes;

(5) A Veterans Recruitment Appointment under 5 CFR part 307;

(6) A Presidential Management Fellow appointment under 5 CFR 213.3102(ii) and 5 CFR 213.3102(jj);

(7) A Federal Career Intern appointment under 5 CFR 213.3202(o); and